

RED RIVER AUTHORITY OF TEXAS

Board of Directors

Meeting Minutes

April 19, 2023

The Red River Authority of Texas Board of Directors conducted a regularly scheduled meeting on Wednesday, April 19, 2023 at 9:00 a.m. The meeting was held at the Authority's Administrative Offices located at 3000 Hammon Road, Wichita Falls, Texas. The meeting was also available remotely via Zoom.

The meeting was open to the public, and the agenda was publicly posted in accordance with Open Meetings Act requirements.

The following directors, staff, and guests were present:

Directors:

- Mr. Jerry Bob Daniel, Vice President, Truscott
- Ms. Mary Lou Bradley, Assistant Secretary, Memphis
- Mr. Jerry Dan Davis, Wellington
- Ms. Tonya D. Detten, Panhandle
- Mr. Conrad J. Masterson, Jr., Cee Vee
- Mr. Michael R. Sandefur, Texarkana – *Via Zoom*
- Mr. Joe Ward, Telephone

Staff:

- Mr. Randall W. Whiteman, General Manager
- Mr. Fabian A. Heaney, Assistant General Manager
- Ms. Danna P. Bales, Executive Assistant
- Ms. Lana Hefton, Controller
- Mr. Glen Hite, IT Systems Administrator

Guests:

- Mr. Heath Gomez, Lockett Water System Customer
- Ms. Sue Crain, Lake Arrowhead Water System Customer

Item One: Call the Meeting to Order, Roll Call, Pledge of Allegiance to the Texas and U.S. Flags and Invocation.

Mr. Daniel called the meeting to order at 9:00 a.m. Following Roll Call, he noted that Mr. Stephen Thornhill was absent. Pledges of allegiance to the United States and Texas Flags were said by all. He then provided the invocation.

Item Two: Public Comments to the Board of Directors.

Mr. Gomez, addressed the board regarding his concerns with the Lockett Water System, and provided a list of dates when the system went without water.

CONSENT AGENDA

Items on the consent agenda will be considered and acted on in one motion.

- Item Three:**
- a. Approval of the Minutes of the Regularly Scheduled Board of Directors Video Conference Meeting Held on January 18, 2023, and Take Any Other Action Deemed Necessary.**
 - b. Consider a Proclamation, Commending Ronald A. Mullins on His Retirement to be Effective May 31, 2023.**

Following review of the consent agenda items, Mr. Ward made a motion they all be approved, as presented. Mr. Davis seconded the motion, which passed unanimously with a vote of **6 For and 0 Against**. Mr. Sandefur was experiencing audio difficulties, and therefore could not be included in the official vote.

REGULAR AGENDA

Item Ten was moved to the beginning of the regular agenda.

- Item Ten: Consider Awarding the Contract to Remove and Install Power and Control Cables, and Purchase an Additional Submersible Pump/Motor, at Lake Texoma, as Identified in the Asset Management Plan, and Approved in the Fiscal Year 2022-2023 Budget, and Take Any Other Action Deemed Necessary.**

Mr. Heaney explained that there is only one operational pump/motor, power cable, and control cable in Lake Texoma to supply water to the Preston Shores Water system. He explained that this is a contract to remove and replace the second set of non-operational power and control cables, and purchase a second submersible pump and motor assembly. He added that the pump in the lake now was provided by Global Pump Solutions and it is operating well.

Mr. Heaney then reminded that a Request for Proposal was issued for the project, and Global Pump Solutions was the only organization to respond. He further stated that the Authority's engineer, Biggs and Mathews, Inc., has reviewed the proposal and submitted a letter of support.

Item Ten: **Consider Awarding the Contract to Remove and Install Power and Control Cables, and Purchase an Additional Submersible Pump/Motor, at Lake Texoma, as Identified in the Asset Management Plan, and Approved in the Fiscal Year 2022-2023 Budget, and Take Any Other Action Deemed Necessary (continued).**

Following minor discussion, Mr. Sandefur made a motion to award the contract to remove and install power and control cables, and purchase an additional submersible pump/motor at Lake Texoma, as identified in the Asset Management Plan, and approved in the Fiscal Year 2022-2023 budget. His motion was seconded by Mr. Davis, and the motion passed unanimously by a vote of **7 For** and **0 Against**.

Item Four: **Consider Resolution #2023-003, Commending Mr. Todd W. Boykin for His Service on the Board of Directors, and Take Any Other Action Deemed Necessary.**

Ms. Detten made a motion to approve Resolution #2023-003, commending Mr. Todd W. Boykin for his service on the Board of Directors. Her motion was seconded by Mr. Masterson, and the motion passed unanimously by a vote of **7 For** and **0 Against**.

Item Five **Consider Approval of the *Draft 2023 Basin Highlights Report for the Canadian and Red River Basins*, Dependent on Final Comments from the Texas Commission on Environmental Quality.**

Mr. Dan Medenwaldt, the Authority's Clean Rivers Program Supervisor, provided a brief presentation on the *Draft 2023 Basin Highlights Report for the Canadian and Red River Basins* to the Board. He explained that final comments from the Texas Commission on Environmental Quality (TCEQ) would be incorporated into the final report.

Following brief discussion, Mr. Davis made a motion to approve the *Draft 2023 Basin Highlights Report for the Canadian and Red River Basins*, dependent on final comments from the TCEQ. His motion was seconded by Mr. Masterson, and the motion passed unanimously by a vote of **7 For** and **0 Against**.

Item Six: Consider Authorizing the General Manager to Execute the Engagement Letters with the Firm of Edgin, Parkman, Fleming and Fleming, P.C. for the Following Procedures:

- a. Conduct an Audit of the Authority's Records for the Fiscal Year Ending September 30, 2023.**
- b. Conduct Agreed Upon Procedures Utilized to Prepare an Indirect Cost Accounting Plan for Calendar Year 2024.**

Mr. Whiteman explained that the Authority solicited for auditing services in April 2020, and stated that the Board approved the ranked list of the respondents to be considered for the next five years. He stated that Edgin, Parkman, Fleming and Fleming, P.C. (EPFF) ranked highest. He added that EPFF does a good job. Ms. Hefton added that their fee is less than the previous year's fee.

With no more discussion, Mr. Ward made a motion to authorize the General Manager to execute the engagement letters with Edgin, Parkman, Fleming and Fleming, P.C. to conduct an audit of the Authority's records for the Fiscal Year ending September 30, 2023, and to conduct agreed upon procedures utilized to prepare an Indirect Cost Accounting Plan for Calendar Year 2024. His motion was seconded by Mr. Masterson, and the motion passed unanimously by a vote of **7 For and 0 Against**.

Item Seven: Consider Authorizing the Advertisement for Request for Proposals to Serve as the Primary Depository for the Red River Authority of Texas and Maintain Custody of its Funds for a Period of Three Years from October 1, 2023 through September 30, 2026, and Take Any Other Action Deemed Necessary.

Mr. Whiteman explained that the Authority solicits for a primary depository every three years from local banks, and the current term with American National Bank will be up on September 30, 2023.

Following minor discussion, Ms. Detten made a motion authorizing the advertisement for Request for Proposals to serve as the primary depository for the Authority and maintain custody of its funds for a period of three years from October 1, 2023 through September 30, 2026. Her motion was seconded by Mr. Davis, and the motion passed unanimously by a vote of **7 For and 0 Against**.

Item Eight: Receive a Recommendation from the Asset Management/Customer Service Committee and Consider Resolution #2023-004 Adopting the 2023 Asset Management Plan Update, and Take Any Other Action Deemed Necessary.

Mr. Heaney provided the Board with a presentation of the 2023 Asset Management Plan Update, as recommended by the Asset Management/Customer Service Committee.

Following minor discussion, Mr. Masterson made a motion to approve Resolution #2023-004 adopting the 2023 Asset Management Plan Update. His motion was seconded by Ms. Detten, and the motion passed unanimously by a vote of **7 For** and **0 Against**.

Item Nine: Consider Authorizing the Advertisement of a Request for Qualifications for Statements of Qualifications for Engineering Services and/or Environmental Professional Services from Firms with a Strong Record in the Development, Design, and Implementation of Water and Wastewater Infrastructure, or Environmental Assessments, Sampling, and Research for Water Resource Agencies, and Take Any Other Action Deemed Necessary.

Mr. Whiteman explained that it is a requirement to procure professional services every five years. He added that since the current list of firms with engineering and environmental expertise will be expiring in November of this year, it is time once again to procure firms and update the list.

Following minor discussion, Mr. Sandefur made a motion to authorize the advertisement for Statements of Qualifications from engineering services and/or environmental professional services firms with a strong record in the development, design, and implementation of water and wastewater infrastructure, or environmental assessments, sampling, and research for water resource agencies. His motion was seconded by Mr. Davis, and the motion passed unanimously by a vote of **7 For** and **0 Against**.

Item Ten was moved to the beginning of the regular agenda.

Item Eleven: Consider Adopting Resolution #2023-005, Amending the Bylaws, Adopting a Board of Director Training Manual, and a Separation of Policymaking and Management Functions Policy, and Take Any Other Action Deemed Necessary.

Mr. Whiteman explained the proposed resolution to amend the Authority's Bylaws to comply with the Authority's recent codification, as recommended by the Texas Sunset Advisory Commission.

Following minor discussion, Ms. Detten made a motion adopting Resolution #2023-005, amending the Bylaws, adopting a Board of Director Training Manual, and a Separation of Policymaking and Management Functions Policy. Her motion was seconded by Mr. Davis, and the motion passed unanimously by a vote of **7 For** and **0 Against**.

Item Twelve: Consider Resolution #2023-006 Amending Chapter 1 of the Administrative Policy and Procedure Manual, and Take Any Other Action Deemed Necessary.

Mr. Whiteman explained that this resolution will amend the Authority's administrative policy to include the recent codification law, as well as expound on a few sections.

Following minor discussion on the proposed policy amendment, Ms. Detten made a motion to approve Resolution #2023-006 amending Chapter 1 of the Administrative Policy and Procedure Manual. Her motion was seconded by Mr. Ward, and the motion passed unanimously by a vote of **7 For** and **0 Against**.

Following the Item Twelve, Mr. Daniel called for a meeting break from 10:37 a.m. to 10:44 a.m. Additionally, Mr. Sandefur left the meeting.

Item Thirteen: Consider Resolution #2023-007, Amending Chapter 3 of the Administrative Policy and Procedure Manual, and Take Any Other Action Deemed Necessary.

Mr. Whiteman explained that the purpose of this resolution amending Chapter 3-Utility Division, Section 3.1.4-Rate Methodology and Customer Notification of the Administrative Policy and Procedure Manual was to ensure the Authority's policy meets the Public Utility Commission's customer notification requirements during rate increase proposals.

Item Thirteen: Consider Resolution #2023-007, Amending Chapter 3 of the Administrative Policy and Procedure Manual, and Take Any Other Action Deemed Necessary (continued):

Following minor discussion, Ms. Bradley made a motion to approve Resolution #2023-007, amending Chapter 3 of the Administrative Policy and Procedure Manual. Her motion was seconded by Mr. Ward, and motion passed by a vote of **6 For** and **0 Against**.

Item Fourteen: Consider Resolution #2023-008, Appointing a Representative to Serve on the Ark-Tex Council of Government, and Take Any Other Action Deemed Necessary.

Mr. Whiteman explained that the Authority has a Board Member seat on the Ark-Tex Board of Directors representing river authorities. He stated that he is not aware of prior personnel attending any meetings, but feels it would be advantageous to be involved, as several of the representative counties are included in the eastern portion of the Red River Basin in Texas.

With no discussion, Mr. Ward made a motion approving Resolution #2023-008, appointing Fabian Heaney as the Authority's representative to serve on the Ark-Tex Council of Government. His motion was seconded by Mr. Davis, and the motion passed by a vote of **6 For** and **0 Against**.

Item Fifteen: Receive a Recommendation from Assistant General Manager, Fabian Heaney, to Declare Excess and Obsolete Equipment as Surplus Property for Sale or Disposal, and Take Any Other Action Deemed Necessary.

Mr. Heaney provided details of the list of equipment to be designated surplus for sale or disposal.

With no discussion, Mr. Davis made a motion to declare the equipment as excess and obsolete surplus property, and authorize its sale or disposal. His motion was seconded by Mr. Masterson, and the motion passed by a vote of **6 For** and **0 Against**.

Item Sixteen: Receive an Update on the Strategic Plan from the General Manager, and Take Any Other Action Deemed Necessary.

a. Sunset Review

Mr. Whiteman provided an update on the Strategic Plan to the Board.

b. Asset Management Plan

Mr. Whiteman provided an update on the Asset Management Plan to the Board.

c. Foster and Encourage Communication with Stakeholders and Customers

Mr. Whiteman stated communication with stakeholders and customers continues to improve.

d. Rate Analysis

Mr. Whiteman provided an update to the Board on the recent rate analysis and stated that some petitions had been filed with the PUC appealing the rates. Mr. Whiteman stated that the Authority was in the process of preparing a filing in response to the petitions questioning the validity of some of the signatories.

e. Other Associated Goals

Mr. Whiteman provided the Board with an update on other associated goals in the Strategic Plan. Discussion was also held regarding the upcoming update of the Strategic Plan.

Item Seventeen: Consider Approval of Directors' Expenses, and Take Any Other Action Deemed Necessary.

Following review of the directors' expenses, Mr. Davis made a motion they be approved, as presented. His motion was seconded by Mr. Masterson, and the motion passed unanimously by a vote of **6 For** and **0 Against**.

Item Eighteen: Other Business as the Board May Deem Appropriate:

a. Board Committee Reports

Updates were provided by the committee chairs.

b. General Manager's Report

Mr. Whiteman stated he essentially provided his report during Item Sixteen.

c. Assistant General Manager's Report

Mr. Heaney provided the Board with an update on the Environmental Services and Utility Divisions, including an update on current capital improvement projects in the Utility Division.

d. Executive Assistant's Report

Ms. Bales provided an update on the General Administration Division.

e. Controller's Report

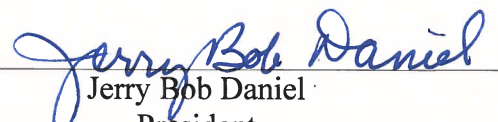
Ms. Hefton presented a financial update to the Board.

Item Nineteen: Comments from the Directors and/or Suggestions for Future Agenda Items.

Discussion was held amongst the directors regarding the Mr. Whiteman's upcoming retirement, and the search for his replacement.

Item Twenty: Adjourn Meeting.

Mr. Davis made a motion to adjourn the meeting at 11:54 a.m. Mr. Masterson seconded his motion, and the motion passed unanimously with a vote of **6 For** and **0 Against**.


Jerry Bob Daniel
President


Mary Lou Bradley
Assistant Secretary

